

Arizona Department of Water Resources
GROUNDWATER USERS ADVISORY COUNCIL
Tucson Active Management Area
Kenneth Seasholes, Area Director



DEE T. O'NEILL
Chair

JOHN MAWHINNEY
Vice-Chair

DAN OFFRET

JON POST

CHUCK SWEET

Minutes
November 8, 2007

Members Present: Dee O'Neill, Chair
John Mawhinney, Vice-Chair
Chuck Sweet
Jon Post

Tucson Staff Present: Kenneth Seasholes
Mary Bauer
Christina Bickelmann
Laura Grignano
Diane Kusel
Jeff Tannler

Phoenix Staff Present: Kim Mitchell
Virginia O'Connell

Pinal Staff Present: Joe Singleton

Others Present:

Janet Lea Carr, SAWUA
Jim Davis, E.L. Montgomery & Assoc.
Dennis Dickerson, PAG
Nancy Freeman, Groundwater Awareness League
Tim Henley, AWBA Consultant
Tina Lee, Ward 2 - City of Tucson
Fernando Molina, Tucson Water
Philip Saletta, Oro Valley Water Utility
Linda Smith, Tucson Water
Sidney Smith, CMID/CWUA
Warren Tenney, Metro Water District
Audrey Tinkham, Lewis and Roca
Richard Williamson

1. Call to Order

Chair Dee O'Neill called the meeting to order at 2:30 p.m. Introductions were made.

2. Approval of Minutes

John Mawhinney made a motion to approve the minutes of August 24, 2007. Chuck Sweet seconded the motion. The minutes were unanimously approved.

3. Arizona Water Banking Authority 2008 Annual Plan of Operation

Kim Mitchell, Manager of the Arizona Water Banking Authority (AWBA), presented the AWBA's 2008 Annual Plan of Operation. Each year one of the statutory roles of the GUAC is to make a recommendation to the AWBA on its Plan of Operation for storage in the upcoming year.

Ms. Mitchell started with an overview of 2007 activity. By the end of 2007 Arizona will have used approximately 2.78 million acre-feet (MAF) off the Colorado River. CAP will have diverted 1.57 MAF and the two lower basin states, Nevada and California, will have used 297 MAF and 4.36 MAF, respectively. Total AWBA storage will amount to 389,000 acre-feet.

Next, Ms. Mitchell presented the draft Plan for 2008. CAP water orders for 2008 came in at approximately 225,000 acre-feet over the available supply, totaling 1.8 MAF. As a result of this overage, it leaves the AWBA with roughly 200,000 acre-feet less than 2007. There are no plans to do any interstate banking because of the supply availability problem.

In the Phoenix Active Management Area (AMA), the Tonopah Desert Underground Storage Facility (USF) is the one facility the AWBA is partnering with in 2008, along with three Groundwater Saving Facilities (GSF) - Chandler Heights, Queen Creek and the Gila Indian Irrigation District. Total storage is projected to be 46,673 acre-feet.

In the Pinal AMA the three GSF's that plan to store water are the Central Arizona Irrigation and Drainage District, Hokokam, and the Gila Indian Irrigation District. Total storage is projected to be 111,000 acre-feet.

In the Tucson AMA storage will take place at the Avra Valley and Lower Santa Cruz USFs, with total storage projected to be 30,600 acre-feet. If more water becomes available, additional storage would be utilized at the CAVSARP and SAVSARP facilities.

Ms. Mitchell continued by reviewing water facility rates. The 2008 delivery rate from the CAP to the AWBA is \$51 per acre-foot, which is \$10 less than last year. The interstate storage rate is set at \$217 per acre-foot, which is \$7.00 per acre-foot more than last year. The GSF operators' cost share rate for intrastate banking is \$31.00 per acre-foot and \$26.00 per acre-foot for interstate banking. These figures are the same as last year. The USF rate has increased for Tucson facilities from \$13.00 to \$15.00 per acre-foot.

The total available funds for the AWBA 2008 Plan of Operation is projected to be \$112,635,000. All the Pinal and Tucson AMA withdrawal fees will be expended, and the Phoenix AMA will end up with a balance of approximately 50,000 acre-feet.

All of the 4 cent ad-valorem tax money held by the AWBA fund has been spent by all of the AMAs. No 4 cent tax money currently being held by CAP will be spent in the Phoenix and Tucson AMAs due to water availability; withdrawal fees will be spent first. There will be no General Funds available to the AWBA in 2008. \$13,500,000 has been earmarked for Indian firming water under the Arizona Water Settlements Act, with \$1,500,000 being spent in the Tucson AMA for the Tohono O'odham Nation. \$8,000,000 will be made available to Arizona from Nevada to help offset any impacts that could be caused by Arizona water users. This available money is a result of the seven basin states Colorado River water shortage negotiations. There is \$13,655,000 available from Nevada's interstate banking, but none of that money will be expended. By the end of 2007, Arizona will have 42% of its firming obligation met to Nevada, which equals about 530,000 acre-feet that has been stored in Arizona on behalf of Nevada. Funds expended for the 2008 Plan of Operation total \$5,824,000.

Kim Mitchell concluded by inviting the GUAC and members of the public to comment on the AWBA's 2008 Plan of Operation. Comments should be submitted by December 14, 2007. The website address is azwaterbank.gov. The Plan will potentially be approved at the AWBA's December 19, 2007 meeting.

4. Proposed Modification to the Municipal Conservation Section of the Third Management Plan

Joe Singleton, Assistant Area Director of the Pinal AMA Office, presented the proposed changes to the Third Management Plan's (TMP) municipal conservation section, which resulted from an extensive stakeholder process.

During the process, stakeholders reviewed the Department's municipal conservation programs that apply to large providers in hopes to resolve a long-standing lawsuit with Arizona Water Company regarding issues it had over the total Gallons Per Capita Per Day (GPCD) Program. This program was the Department's base regulatory program for large municipal providers. Another aspect of the process was to look at the municipal program as a whole and attempt to come up with alternatives that would potentially better serve the Department and the regulated community. As a result, a new base program was crafted.

The new program is a modification to the Department's current Non-Per Capita Conservation Program (NPCCP) and required statutory change by the legislature in order to implement. It would essentially become the base program for large municipal providers that do not have a designation of assured water supply. Those providers that hold a designation may elect to remain in their existing programs or be regulated under the new NPCCP.

Like the original NPCCP, the modified plan would call for performance base measures, but the choices of those measures would be more flexible, based on individual service area characteristics and water use patterns. These would be outlined in the provider profile that each provider must submit to the Department. Base measures that would be required by all providers are a public education program, a metering program, and one or more additional conservation measures.

The program is tiered on the number of service area connections. Those providers with a greater number of connections would be asked to implement more conservation measures in addition to those in the base program. The effective date for implementation of the modified NPCCP is January 1, 2010.

The Department is asking that GUAC comments and recommendations on the modified NPCCP be submitted by December 15, 2007. The GUAC unanimously agreed that a letter should be sent to the Department supporting the modifications.

5. Date and Agenda for Next Meeting

The members will be polled on a meeting date and time for sometime in January, 2008. Continued discussion on forming a regional water authority is a potential agenda item.

6. Adjournment

The meeting was adjourned at 4:05 p.m.